

# WISCONSIN WORKS (W-2) CONTRACT AND IMPLEMENTATION COMMITTEE

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UMOS  
1644 South 19 St.  
Milwaukee, WI

**Friday, March 16, 2001**  
10:00 AM - 1:00 PM

## MINUTES

The W-2 Contract and Implementation Committee is the single point of contact for feedback to the Department of Workforce Development on policy implementation related to W-2 agencies, and includes representation from the Wisconsin County Human Service Association (WCHSA), Urban Caucus counties, W-2 private agencies in Milwaukee County and the balance of state, and Tribal W-2 agencies.

**COMMITTEE:**                      **Members** (Present = X)                      **Alternates** (Present = X)

X Jennifer Noyes .....	DWS/AO	Jan Alft .....	Marathon County
William B. Adams.....	Racine County	X Linda Brandenburg .....	ESI
Jon Angeli .....	Southwest Consortium	X Cheryl Cobb .....	UMOS
X Phyllis A. Bermingham ...	Marathon County	X Mona Garland .....	OIC
X Doris Green .....	OIC	X Deb Hughes .....	Southwest Consortium
X Tina Koehn .....	UMOS	X Edward Kamin III.....	Kenosha County
X James Nitz .....	Kaiser Group	Richard L. Kammerud .....	Polk County
Laverne Plucinski.....	Bad River Chippewa	X James Krivsky.....	Racine County
Jewel Reichert .....	Fond du Lac County	X Barbara Metoxen .....	Oneida Nation
X Adelene Robinson .....	Kenosha County	Tom Miller .....	La Crosse County
X Shirley Ross .....	La Crosse County	X Teresa Pierce.....	Workforce Connections, Inc
Liz Green .....	Dane County	X Rita Renner.....	YW Works
X Jerry Stepaniak.....	MAXIMUS	Chris Schmitz.....	Fond du Lac County
Julia Taylor .....	YW Works		
X Glynis Underwood .....	ESI		
X Michael Van Dyke.....	Door County		

### State Staff

**Attendees:** Karen Messinger, BDS  
Tim Hineline, BDS  
Kevin Huggins, BDS  
Victoria Carreon, LFB  
Paul Saeman, BWI  
Jude Morse, BDS  
Jayne Wanless, BWCA

Barbara Harris, BDS  
Ginevra Ewers, BDS  
Roger Kautz, BDS  
Shawn Smith, AO  
Mary Rowin, AO  
Lynn Schmitt, BDS

**Guests:** Tim Cowan, YW Works  
Jane Batha, Curtis & Associates  
Kay Krenzke, ESI  
Cindy Sutter, RCHSD  
John Miller, ESI  
Will Martin, ESI

Marilyn Putz, Walworth Co.,  
Rebecca Swartz, Hudson Institute  
Jane Ahlstrom, AFSCME  
Judy Steinbicar, RCHSD  
Mitch Birkey, Sheybogan CO.  
Carol Medaris, WI Council on  
Children and Families

**Recorder:** Jayne Wanless, W-2 Contract and Implementation Committee Coordinator

## **Welcome**

Ms. Noyes expressed her appreciation to UMOS for hosting the meeting and thanked the committee for agreeing to the change of venue with such short notice.

## **Minutes Approval**

A motion was made by Deb Hughes to approve the February 2001, minutes and seconded by Jim Nitz. Motion carried.

## **Discussion: Monthly Training Update W-2 Time Limits Update Margaret McMahon**

A handout replaced a verbal report.

## **Discussion: Monthly Training Update Gerry Mayhew, Training Section**

No report this month.

## **Issue/discussion: Monthly CARES Report Update, Tim Hineline, Cares Section**

A committee is forming to look at strategic planning process for the CARES system. The committee will look at CARES to see how it can better support both work programs and entitlement programs. Mary Rowin asked for volunteers from the C&I committee to serve on this workgroup. Mr. Van Dyke and Mr. Kamin are already on the committee. Ms. Hughes, Ms. Renner and Ms. Brandenburg volunteered to be added to the group. This group will meet 3 or 4 times to give direction for new developments and changes.

## **Issue/discussion: Biennial Budget Update/TANF Update Shawn Smith, AO**

Shawn Smith handed out a summary of the DWS items in the Governor's 2001-2003 Budget Proposal and went through the highlights. The highlights are listed below.

## **Child Care**

- *Proposed an \$84 million increase in child care subsidy funds over the next biennium. The \$84 million is an increase over the current budget, after a one-time increase of \$20 million was added in July 2001. The official base budget for State Fiscal Year (SFY) 2001 was \$181,050,000 million (prior to the \$20 million upper), adjusted midyear to \$200,858,200. The new proposed budget is \$242,475,000 in both SFY 2002 and 2003.*
- *Continuation funding (\$7,500,000 per year) for the Early Childhood Excellence Initiative, a program to provide state-of-the-art model early learning centers serving preschool children from low-income families.*
- *The Governor proposed the local child care pass-through grants program at a funding level of \$17 million per year. Under this program, local governments put up match money to draw child care funding for the purpose of improving the quality and supply of child care services. Funding available in SFY 2001 for this program is \$14 million. The budget proposes a \$3 million increase.*

- *The budget proposal continues DWD annual funding of \$3,712.500 to fund slots for Head Start services, administered through Department of Public Instruction (DPI). This amount, in addition to DPI appropriations for Head Start, sustains funding for Head Start slots at a total of \$7.4 annually.*
- ♦ *The indirect child care budget to improve child care quality stayed about the same (\$16 million annually) under the Governor's proposal. These funds support a range of programs, including child care resource and referral, licensing, child care scholarships and bonuses, technical assistance to child care providers, and quality improvement grants to providers.*
- *DWD is directed to develop a plan to limit participation in the child care subsidy program if funding is deemed to be insufficient.*

### **Food Stamps**

- *Funding for Food Stamp Reinvestment activities included at \$1 million.*
- *Funding for Food Stamps for legal aliens was adopted as requested. (Up \$130,000 annually).*
- *Provide for an increase in FSET funds available for local match.*
- *DWD is to study the move of Food Stamps to DHFS.*

### **TANF**

- *State administration cut. DWD recommended approximately \$32 million per year, Governor approved \$24 million per year, which is about \$7 million below current biennium base funding including the cut to PFE (SEE OTHER).*
- *\$500,000 in the first year of the biennium for an Alcohol and Other Drug Abuse (AODA) Initiative; however, this amount is intended to fulfill current obligations of funding appropriated for the 1999-01 biennium. No TANF was appropriated in the Governor's budget for AODA programs for the 2001-03 biennium.*
- *\$7,079,700 in the first year of the biennium for the Community Youth Grant (CYG) Initiative; however, this amount is intended to fulfill current obligations of funding appropriated for the 1999-01 biennium. No TANF was appropriated in the Governor's budget for CYG programs for the 2001-03 biennium.*
- *The Governor's budget has a \$600,000 TANF balance (including funding granted under the high performance bonus).*
- *Proposal also eliminates some other smaller TANF programs like WEDI, English for SE Asian children, and Legal Services, although with the exception of the SSBG transfer, all DHFS TANF programs remain status quo.*
- *WAA remains status quo.*

### **W-2**

- *DWD requested adjustments to W-2 contract level including funding for benefits and ancillary services was included without change.*

- *Funding for the \$12.5 million performance bonus to be budgeted in the 2004-2005 biennium (would not be paid out until then).*
- *The W-2 Education, Employment, and Family Supports Block Grant proposal was not adopted.*
- *W-2 Community Steering Committees will no longer be subject to a minimum of 12 and a maximum of 15 members. CSC's must coordinate with local Workforce Development Boards and must be directed to serve all TANF eligible individuals as opposed to just W-2 participants.*

### **Other**

- *IM contract funding was incorporated at the DWD recommended levels.*
- *Partnership for Full Employment (PFE) funding cut from \$3.5 to \$1.7 per year.*
- *Transfer of MA to DHFS language is included per DWD/DHFS MOU.*
- *Funeral expenses increased to \$4.5 million per year.*
- *Job Access Loans funded at \$1 million per year. (\$400,000 increase).*
- *ESAP funding to remain at \$1,000,000 with some recommended program changes. The match is reduced to 50% of the grant, maximum grant of \$1000 and eligibility raised to 185% FPL.*
- *The merger between DES and DWE is included.*
- *Base Children First funding to increase by \$1.6 million/year.*
- *DWD is to study moving the CR&D functions of child support in house.*
- *DWD did not get the request for 12 financial monitoring positions.*
- *The Governor proposed a "KIDS Cabinet" to ensure better coordination of programs for children. The proposal creates a cabinet dedicated to children's issues, chaired by the Governor, and consisting of the secretaries of the Departments of Health and Family Services, Workforce Development, Public Instruction, and Administration.*

Mr. Van Dyke asked whether the literacy grants are rolled in to W-2 funding. Ms. Smith said there is not a proposal for a block grant at this time.

Mr. Van Dyke inquired how the WAA funding is being used in the state. Mr. Saeman reported about 1600 participants are in CARES, as of the March report on performance standards. DWD submitted a report to the Joint Finance Committee which shows about 1100 participants in WAA funded activities since the beginning of the program. This report can be found on the web site.

The Governor's Proposal included coordinating Community Steering Committees (CSC) and local Workforce Development boards with a new directive to serve all TANF clients. The proposed budget states CSCs are no longer subjected to a certain number of members. The committee expressed concern about combining local advisory boards with large regional boards that may have two different purposes. The new proposal is to make the groups flexible and in the future it might be difficult to keep them separate. The committee wanted to know if there would be a directive to allow someone to leave the board. Ms. Smith said it is not in statutory language.

Will Martin acknowledged that there was no mention of the PIC. Ms. Smith said that the PIC proposed amount is decreased to \$500,000 and it will impact their future duties.

Jennifer Reinert is going before the Joint Finance Committee on March 21, 2001, in room 411 South in the Capitol, to discuss the DWD budget. It starts at 10:00 AM and Ms. Reinert is third on the agenda with Department of Health and Family Services following.

The House Ways and Means Committee is currently holding public hearings on TANF reauthorization.

A bill is being proposed at the federal level to protect the use of social security numbers (HR 220). The bill would ban the use of social securities numbers as personal identifiers. This would have a major impact in Wisconsin.

#### **Issue/Discussion: Performance Standards, Paul Saeman BDS, Lynn Schmitt BDS**

Ms. Noyes said the public comment period is extended a week to include this meeting and this afternoon's forum. Mr. Saeman asked the committee members for feedback on Performance Standards. Will Martin commented that he would like to have a document that detailed the source of the data that will be collected and how the measure will be calculated. Mr. Nitz also feels that it would be easier to comment if they knew the rationale behind the performance standard.

Committee members questioned bonuses included in the Performance Standards. Many questioned how the amount was decided and whether a bonus program was appropriate. Mr. Saeman explained that the High Performance Bonus was created after looking at the rating at the federal level, Wisconsin was 2<sup>nd</sup> in the nation in entered employment. The committee expressed concerns about finding an individual after they have entered CMF to get wage information and also the fluctuation that might take place with the hours that may affect this outcome. Ms. Schmitt stated that the standard goes along with the 6 month CMF placement. Supportive services such as Food Stamps, Child Care Subsidy, and Badger Care are collecting wage information for program eligibility and it may be documented in CARES. This could assist in obtaining wage information. The use of the State Wage Data will cause a 9 month delay in issuing bonuses and participants may get jobs that are not required to do state reporting. CARES will include a way to track increased wages. Cumulative standards will remain accumulative. The others will be looked at monthly and averaged instead of taking a measure at the end of each quarter.

Mr. Nitz stated that the Educational Attainment does not allow case managers to use any discretion with cases who may be learning disabled or older and may not wish to get their GED or HSED. Ms. Schmitt said that there was an error and it will be re-worded to be more like the current agreement. Mr. Kamin wanted the Department to keep in mind that the GED requirements change in the year 2002 and performance standards should reflect this change.

Two Customer Service Surveys will be administered during the next contract period; one will be done by the State, the other by the W-2 agency. DWD may hire a firm to develop the survey but Ms. Noyes said it will be brought back to this committee for input but the Department will make the final decision. The information received will be used for the Performance Standards. Ms. Hughes recommended a one case credit for surveys.

Mr. Krivsky has concerns about the time limit for assessments because often an agency relies on another provider that might not run on a similar time frame. Also, in many W-2 T cases it is a family member that is the reason for the placement and the person in the placement may not need to be assessed.

**Issue/ Discussion: Cost Allocation, Ginevra Ewers, BDS**

The Department of Workforce Solutions (DWS) is currently working with federal partners to develop an approvable cost allocation plan. The major focus of review is reporting costs of staff time. The options are to do either 100% time reporting or random moment time study. DWS will use an outside analyst to establish a formula that can be used on either a statewide or regional basis. The time reporting will be tested with a couple of agencies before going statewide. There is an intensive effort to design and implement the time reporting before January 1, 2002. This effort will also include on-site visits to a number of agencies to review cost reporting and allocation practices. C&I contacts are Ms. Bermingham and 1 from a Milwaukee private agency.

Mr. Kamin pointed out that the TANF Conference stressed flexibility as a major goal with reauthorization and the reporting would not allow this. Ms. Noyes recognized that this does not coincide with the goal of flexibility, but this is what has been requested.

**Issue/Discussion: W-2 Community Steering Committees and Workforce Development Boards Cheryl Cobb, UMOS**

Some W-2 agencies are interested in an option to associate Community Steering Committees (CSCs) with the Workforce Development Boards. Some W-2 agencies favor the option to keep them separate depending on the way in which it would work best locally. Ms. Smith said currently they must have two separate groups and the CSCs members must be appointed to by the W-2 agencies and at the moment the department cannot make any exceptions. Ms. Noyes said that after the budget is passed if a new policy is developed it would be presented to the C&I committee for review.

**Issue/Discussion: IRS audits of EITC Mary Rowin, AO**

Ms. Rowin handed out an interoffice memo regarding the Earned Income Tax Credit (EITC) audits. The IRS has been aggressively auditing individuals who file for the Federal Earned Income Tax Credit for the tax year of 2000. Ms. Rowin cautioned agencies on giving advice concerning EITC and if they do so, make sure the child is living with the parent claiming the EITC for 6 months or more. The IRS website <http://www.irs.gov/> has detailed information.

**Issue/Discussion: Review of W-2 White Papers, Rebecca Swartz, Hudson Institute**

Rebecca Swartz from the Hudson Institute, presented on the W2 White Papers. You can find the White Papers are available through the DWD web page via the W2 Management and Evaluation link or by going to <http://www.welfarereformer.org/wiscMEP.htm>. The papers listed below are available:

- W-2 Achievements & Challenges
- What is a "CASE" in Post-reform Wisconsin? Reconciling Caseload with Workload
- Wisconsin Works: Meeting the Needs of Harder to Serve Populations
- Toward Work Stability and Career Advancement--The Next Stage of Reform

Two papers are not complete; the Non-Custodial Parent paper is due out in late April and Prevention-Perspective paper.

The major themes of the papers that are published include the topics of caseload vs. workload, hardest to serve clients and advancement in employment. The cash caseload has declined but types of service and the groups who are served has expanded. Helping people reach self-sufficiency is a longer process than providing financial support and may need a new definition for a case. The hardest to serve looked at those requesting an extension and those who did not. Cases in which an extension was requested were 3 times more likely to have a disabled person

in the home and many barriers within the W-2 group. The study shows the need for more interagency collaboration to overcome barriers and a means to transition to SSI. The third study looked at advancement in employment. Employment is up and cash assistance is down. The study shows that obtaining a job is the first step in a long process. Agencies need to promote stability throughout the whole family to achieve it in the work place.

The NCP paper is due out in April. It shows NCPs need the same support as custodial parents to succeed, and the child needs both financial and emotional support from both parents. The Prevention Report is showing that a stable family equals a stable worker and a stable worker equals a stable family. Social work type services and work programs combinations may lead to the connection between healthy families and stable work environments.

Research that is just coming out includes:

- White Papers
- IRP's evaluation of the Child Support Demonstration Project is due out in April and has 3 volumes
- Employers Study from a national perspective, it includes the city of Milwaukee
- IRP's study on W-2 Applicants in Milwaukee looking at cases from application and through the following two years, currently completing the first year
- DWD Leavers'- study is due out in June.

Contact Rebecca Swartz by email [rebeccas@terracom.net](mailto:rebeccas@terracom.net) or phone 608-251-8162.

#### **Issue/Discussion: Other Issues**

The LAB program review will be out before the next C&I meeting. It seems to be getting shorter with additional appendices.

Legislative Audit Bureau found sanctions are being done incorrectly especially in the Custodial Parent of an Infant placement and switching between non-payment tier to a payment tier. Cases will have to be fixed by the W-2 agencies. An edit is being added to CARES to prevent sanction errors.

Ms. Schmitt reported that EOS report C747 includes cases that have used 48 months. It is listed by caseworker and includes second parents.

Research & Statistics has a new website; look for it under the "What's new" heading on the DWD homepage. Paul Saeman would like feedback on the new website.

Ms. Noyes thanked UMOS for hosting the C&I meeting and for arranging for lunch to be served on site.

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**NEXT MEETING DATE:** April 20, 2001  
10:00 a.m. – 2:00 p.m.

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